

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

HOUSE BILL 1334

By: Humphrey

AS INTRODUCED

An Act relating to public retirement systems; amending 74 O.S. 2021, Sections 1316.2, as amended by Section 5, Chapter 245, O.S.L. 2024, and 1316.3 (74 O.S. Supp. 2024, Section 1316.2), which relate to insurance benefits; modifying the monthly premium amount for health insurance; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2021, Section 1316.2, as amended by Section 5, Chapter 245, O.S.L. 2024 (74 O.S. Supp. 2024, Section 1316.2), is amended to read as follows:

Section 1316.2. A. Any employee, other than an education employee, who retires pursuant to the provisions of the Oklahoma Public Employees Retirement System or who has a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System may continue in force the health and dental insurance benefits authorized by the provisions of the Oklahoma Employees Insurance and Benefits Act, or other employer insurance benefits if the employer does not participate in the plans offered

1 by the Office of Management and Enterprise Services, if such  
2 election to continue in force is made within thirty (30) days from  
3 the date of termination of service. Except as otherwise provided  
4 for in subsection H of this section, health and dental insurance  
5 coverage may not be reinstated at a later time if the election to  
6 continue in force is declined. Vested employees other than  
7 education employees who have terminated service and are not  
8 receiving benefits and effective July 1, 1996, nonvested persons who  
9 have terminated service with more than eight (8) years of  
10 participating service with a participating employer, who within  
11 thirty (30) days from the date of termination of service elect to  
12 continue such coverage, shall pay the full cost of the insurance  
13 premium at the rate and pursuant to the terms and conditions  
14 established by the Office. Provided also, any employee other than  
15 an education employee who commences employment with a participating  
16 employer on or after September 1, 1991, who terminates service with  
17 such employer on or after July 1, 1996, but who otherwise has  
18 insufficient years of service to retire or terminate service with a  
19 vested benefit pursuant to the provisions of the Oklahoma Public  
20 Employees Retirement System or to elect to continue coverage as a  
21 nonvested employee as provided in this section, but who, immediately  
22 prior to employment with the participating employer, was covered as  
23 a dependent on the health and dental insurance policy of a spouse  
24 who was an active employee other than an education employee, may

1 count as part of his or her credited service for the purpose of  
2 determining eligibility to elect to continue coverage under this  
3 section, the time during which the terminating employee was covered  
4 as such a dependent.

5 B. 1. Health insurance benefit plans offered pursuant to this  
6 section shall include:

- 7 a. indemnity plans offered through the Office,
- 8 b. managed care plans offered as alternatives to the  
9 indemnity plans offered through the Office,
- 10 c. Medicare supplements offered pursuant to the Oklahoma  
11 Employees Insurance and Benefits Act,
- 12 d. Medicare risk-sharing contracts offered as  
13 alternatives to the Medicare supplements offered  
14 through the Office. All Medicare risk-sharing  
15 contracts shall be subject to a risk adjustment  
16 factor, based on generally accepted actuarial  
17 principles for adverse selection which may occur, and  
18 e. for the Oklahoma Public Employees Retirement System,  
19 other employer-provided health insurance benefit plans  
20 if the employer does not participate in the plans  
21 offered pursuant to the Oklahoma Employees Insurance  
22 and Benefits Act.

23 2. Health insurance benefit plans offered pursuant to this  
24 section shall provide prescription drug benefits, except for plans

1 designed pursuant to the Medicare Prescription Drug Improvement and  
2 Modernization Act, pursuant to 42 USCA Section 1395w-101, et seq.,  
3 for which provision of prescription drug benefits is optional, and  
4 except for plans offered pursuant to subparagraph e of paragraph 1  
5 of this subsection.

6 C. 1. Designated public retirement systems shall contribute a  
7 monthly amount towards the health insurance premium of certain  
8 individuals receiving benefits from the public retirement system as  
9 follows:

10 a. a retired employee, other than an education employee  
11 or an employee who participates in the defined  
12 contribution system administered by the Oklahoma  
13 Public Employees Retirement System on or after  
14 November 1, 2015, who is receiving benefits from the  
15 Oklahoma Public Employees Retirement System ~~after~~  
16 ~~September 30, 1988,~~ on the effective date of this act  
17 shall have ~~One Hundred Five Dollars (\$105.00)~~ Two  
18 Hundred Ten Dollars (\$210.00), or the premium rate of  
19 the health insurance benefit plan, whichever is less,  
20 paid by the Oklahoma Public Employees Retirement  
21 System to the Board or to another insurance carrier or  
22 other qualified benefits administrator of the employer  
23 if the employer does not participate in the plans  
24

1 offered by the Office in the manner specified in  
2 subsection G of this section,

3 b. a retired employee or surviving spouse other than an  
4 education employee who is receiving benefits from the  
5 Oklahoma Law Enforcement Retirement System ~~after~~  
6 ~~September 30, 1988,~~ on the effective date of this act  
7 is under sixty-five (65) years of age and is not  
8 otherwise eligible for Medicare shall have the premium  
9 rate for the health insurance benefit plan or ~~One~~  
10 ~~Hundred Five Dollars (\$105.00)~~ Two Hundred Ten Dollars  
11 (\$210.00), whichever is less, paid by the Oklahoma Law  
12 Enforcement Retirement System to the Office in the  
13 manner specified in subsection G of this section,

14 c. a retired employee other than an education employee  
15 who is receiving benefits from the Oklahoma Law  
16 Enforcement Retirement System ~~after September 30,~~  
17 ~~1988,~~ on the effective date of this act is sixty-five  
18 (65) years of age or older or who is under sixty-five  
19 (65) years of age and is eligible for Medicare shall  
20 have ~~One Hundred Five Dollars (\$105.00)~~ Two Hundred  
21 Ten Dollars (\$210.00), or the premium rate of the  
22 health insurance benefit plan, whichever is less, paid  
23 by the Oklahoma Law Enforcement Retirement System to  
24

1 the Office in the manner specified in subsection G of  
2 this section, and

- 3 d. a retired employee other than an education employee  
4 who is receiving benefits from the Uniform Retirement  
5 System for Justices and Judges ~~after September 30,~~  
6 ~~1988,~~ on the effective date of this act shall have ~~One~~  
7 ~~Hundred Five Dollars (\$105.00)~~ Two Hundred Ten Dollars  
8 (\$210.00), or the premium rate of the health insurance  
9 plan, whichever is less, paid by the Uniform  
10 Retirement System for Justices and Judges to the  
11 Office in the manner specified in subsection G of this  
12 section.

13 2. Premium payments made pursuant to this section shall be made  
14 subject to the following conditions:

- 15 a. the health plan shall be authorized by the provisions  
16 of the Oklahoma Employees Insurance and Benefits Act,  
17 except that if an employer from which an employee  
18 retired or with a vested benefit pursuant to the  
19 provisions of the Oklahoma Public Employees Retirement  
20 System does not participate in the plans authorized by  
21 the provisions of the Oklahoma Employees Insurance and  
22 Benefits Act, the health plan will be the health  
23 insurance benefits of the employer from which the  
24 individual retired or vested,

1           b.    for plans offered by the Oklahoma Employees Insurance  
2                    and Benefits Act, the amount to be paid shall be  
3                    determined pursuant to the provisions of this  
4                    subsection and shall first be applied in whole or in  
5                    part to the prescription drug coverage premium. Any  
6                    remaining amount shall be applied toward the medical  
7                    coverage premium,

8           c.    for all plans, if the amount paid by the public  
9                    retirement system does not cover the full cost of the  
10                    elected coverage, the individual shall pay the  
11                    remaining premium amount, and

12           d.    payment shall be made by the retirement systems in the  
13                    manner specified under subsection G of this section.

14           D.    For any member of the Oklahoma Law Enforcement Retirement  
15                    System killed in the line of duty, whether the member was killed in  
16                    the line of duty prior to May 18, 2005, or on or after May 18, 2005,  
17                    or if the member was on a disability leave status at the time of  
18                    death, the surviving spouse or dependents of such deceased member of  
19                    the Oklahoma Law Enforcement Retirement System may elect to continue  
20                    or commence health and dental insurance benefits, provided the  
21                    dependents pay the full cost of such insurance, and for deaths  
22                    occurring on or after July 1, 2002, such election is made within  
23                    thirty (30) days of the date of death. The eligibility for the  
24

1 benefits shall terminate for the surviving children when the  
2 children cease to qualify as dependents.

3 E. Effective July 1, 2004, a retired member of the Oklahoma Law  
4 Enforcement Retirement System who retired from the System by means  
5 of a personal and traumatic injury of a catastrophic nature and in  
6 the line of duty and any surviving spouse of such retired member and  
7 any surviving spouse of a member who was killed in the line of duty  
8 shall have one hundred percent (100%) of the retired member's or  
9 surviving spouse's health care premium cost, whether the member or  
10 surviving spouse elects coverage under the Medicare supplement or  
11 Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement  
12 Retirement System to the Office in the manner specified in  
13 subsection H of this section. For plans offered by the Office, such  
14 contributions will first be applied in whole or in part to the  
15 prescription drug coverage premium, if any.

16 F. Dependents of a deceased employee who was on active work  
17 status or on a disability leave at the time of death or of a  
18 participating retardant or of any person who has elected to receive  
19 a vested benefit under the Oklahoma Public Employees Retirement  
20 System, the Uniform Retirement System for Justices and Judges or the  
21 Oklahoma Law Enforcement Retirement System may continue the health  
22 and dental insurance benefits in force, provided the dependents pay  
23 the full cost of such insurance and they were covered as eligible  
24 dependents at the time of such death and such election is made



1 within thirty (30) days of date of death. The eligibility for the  
2 benefits shall terminate for the surviving children when the  
3 children cease to qualify as dependents.

4 G. The amounts required to be paid by the Oklahoma Public  
5 Employees Retirement System, the Uniform Retirement System for  
6 Justices and Judges and the Oklahoma Law Enforcement Retirement  
7 System pursuant to this section shall be forwarded no later than the  
8 tenth day of each month following the month for which payment is due  
9 by the Oklahoma Public Employees Retirement System Board of Trustees  
10 or the Oklahoma Law Enforcement Retirement Board to the Office for  
11 deposit in the Health, Dental and Life Insurance Reserve Fund or to  
12 another insurance carrier or other administrator of qualified  
13 benefits of the employer as provided for in subsection H of Section  
14 1315 of this title.

15 H. Upon retirement from employment of the Board of Regents of  
16 the University of Oklahoma, any person who was or is employed at the  
17 George Nigh Rehabilitation Institute and who transferred employment  
18 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any  
19 person who was employed at the Medical Technology and Research  
20 Authority and who transferred employment pursuant to Section 7068 of  
21 this title and any person who is a member of the Oklahoma Law  
22 Enforcement Retirement System pursuant to the authority of Section  
23 2-314 of Title 47 of the Oklahoma Statutes may participate in the  
24 benefits authorized by the provisions of the Oklahoma Employees

1 Insurance and Benefits Act for retired participants including  
2 health, dental and life insurance benefits, if such election to  
3 participate is made within thirty (30) days from the date of  
4 termination of service. Life insurance benefits for any such person  
5 who transferred employment shall not exceed the coverage the person  
6 had at the time of such transfer. Retirees who transferred  
7 employment and who participate pursuant to this paragraph shall pay  
8 the premium for elected benefits less any amounts paid by a state  
9 retirement system pursuant to this section.

10 SECTION 2. AMENDATORY 74 O.S. 2021, Section 1316.3, is  
11 amended to read as follows:

12 Section 1316.3. A. Any person who retires pursuant to the  
13 provisions of the Teachers' Retirement System of Oklahoma with at  
14 least ten (10) years of creditable service or who has a vested  
15 benefit with at least ten (10) years of creditable service, pursuant  
16 to the provisions of the Teachers' Retirement System of Oklahoma may  
17 continue in force the health and dental insurance benefits  
18 authorized by the provisions of the Oklahoma Employees Insurance and  
19 Benefits Act if such election to continue in force or begin is made  
20 within thirty (30) days from the date of termination of service.  
21 Except as provided in subsection E of Sections 5-117.5 and 14-108.1  
22 of Title 70 of the Oklahoma Statutes and Section 840-2.27I of this  
23 title and subsection K of this section, health and dental insurance  
24 coverage may not be reinstated at a later time if the election to

1 continue in force or begin coverage is declined. Vested persons who  
2 have terminated service and are not receiving benefits and effective  
3 July 1, 1996, nonvested persons who have terminated service with  
4 more than ten (10) years of participating service with a qualifying  
5 employer, who within thirty (30) days from the date of termination  
6 of service, elect to continue such coverage, shall pay the full cost  
7 of said insurance premium at the rate and pursuant to the terms and  
8 conditions established by the Office of Management and Enterprise  
9 Services.

10 B. 1. Health insurance benefit plans offered pursuant to this  
11 section shall include:

- 12 a. indemnity plans offered through the Office,
- 13 b. managed care plans offered as alternatives to the  
14 indemnity plans,
- 15 c. Medicare supplements offered through the Office,
- 16 d. Medicare risk-sharing contracts offered as  
17 alternatives to the Medicare supplements offered  
18 through the Office, and
- 19 e. any other employer-provided health insurance benefit  
20 plans if the employer does not participate in the  
21 plans offered pursuant to the Oklahoma Employees  
22 Insurance and Benefits Act.

23 2. Health insurance benefit plans offered pursuant to this  
24 section shall provide prescription drug benefits, except for plans

1 designed pursuant to the Medicare Prescription Drug Improvement and  
2 Modernization Act of 2003, which may or may not contain prescription  
3 drug benefits, for which provision of prescription drug benefits is  
4 optional, and except for plans offered pursuant to subparagraph e of  
5 paragraph 1 of this subsection.

6 C. A retired person who:

7 1. Is receiving benefits from the Teachers' Retirement System  
8 of Oklahoma after September 30, 1988, is under sixty-five (65) years  
9 of age and is not otherwise eligible for Medicare and pursuant to  
10 subsection A of this section elects to begin or to continue the  
11 health insurance plan;

12 2. Is receiving benefits from the Teachers' Retirement System  
13 of Oklahoma after June 30, 1993, is under sixty-five (65) years of  
14 age and is not otherwise eligible for Medicare and participates in a  
15 health insurance plan provided by a participating education employer  
16 of the Teachers' Retirement System of Oklahoma other than a health  
17 insurance plan offered pursuant to the Oklahoma Employees Insurance  
18 and Benefits Act or an alternative health plan offered pursuant to  
19 the Oklahoma State Employees Benefits Act;

20 3. Is receiving benefits from the Teachers' Retirement System  
21 of Oklahoma after September 30, 1988, made contributions to the  
22 system and is sixty-five (65) years of age or older, or who is under  
23 sixty-five (65) years of age and is eligible for Medicare and is a  
24 participant in the Oklahoma Employees Insurance and Benefits Act and

1 elects coverage under the Medicare supplement offered by the Office;  
2 or

3 4. Is receiving benefits from the Teachers' Retirement System  
4 of Oklahoma after June 30, 1993, made contributions to the system  
5 and is sixty-five (65) years of age or older, or who is under sixty-  
6 five (65) years of age and is eligible for Medicare and participates  
7 in a health insurance plan provided by a participating education  
8 employer of the Teachers' Retirement System of Oklahoma other than a  
9 health insurance plan offered pursuant to the Oklahoma Employees  
10 Insurance and Benefits Act or an alternative health plan offered  
11 pursuant to the Oklahoma State Employees Benefits Act and elects  
12 coverage under the Medicare supplement offered by the Office,  
13 shall have the amount determined pursuant to subsection E of this  
14 section, or the premium rate of the health insurance benefit plan,  
15 whichever is less, paid by the Teachers' Retirement System of  
16 Oklahoma. If the amount paid by the Teachers' Retirement System of  
17 Oklahoma does not cover the full cost of the health insurance  
18 premium, the retired person shall pay the remaining amount if the  
19 retired person wants to continue the coverage.

20 D. The Teachers' Retirement System shall pay the amount due  
21 pursuant to the provisions of subsection C of this section as  
22 follows:

23 1. For those individuals participating in plans provided  
24 through the Oklahoma Employees Insurance and Benefits Act, payment

1 shall be made to the Office pursuant to the provisions of subsection  
 2 I of this section; or

3 2. For those individuals participating in plans provided  
 4 through a participating education employer of the Teachers'  
 5 Retirement System of Oklahoma other than a health insurance plan  
 6 offered pursuant to the Oklahoma Employees Insurance and Benefits  
 7 Act, payment shall be made to the education employer.

8 E. Beginning ~~July 1, 2000~~ November 1, 2025, the maximum benefit  
 9 payable by the Teachers' Retirement System of Oklahoma on behalf of  
 10 a retired person toward said person's monthly premium for health  
 11 insurance shall be determined in accordance with the following  
 12 schedule:

	<del>LESS THAN</del>	<del>25 YEARS BUT</del>	<del>GREATER</del>
	<del>LESS THAN</del>	<del>GREATER THAN</del>	<del>THAN 24.99</del>
<del>AVERAGE SALARY</del>	<del>15 YEARS OF</del>	<del>14.99 YEARS OF</del>	<del>YEARS OF</del>
<del>USED FOR DETERMINING</del>	<del>CREDITABLE</del>	<del>CREDITABLE</del>	<del>CREDITABLE</del>
<del>RETIREMENT ALLOWANCE</del>	<del>SERVICE</del>	<del>SERVICE</del>	<del>SERVICE</del>
<del>Less than \$20,000.00</del>	<del>\$103.00</del>	<del>\$104.00</del>	<del>\$105.00</del>
<del>Less than \$30,000.00 but</del>			
<del>greater than \$19,999.99</del>	<del>\$102.00</del>	<del>\$103.00</del>	<del>\$104.00</del>
<del>Less than \$40,000.00 but</del>			
<del>greater than \$29,999.99</del>	<del>\$101.00</del>	<del>\$102.00</del>	<del>\$103.00</del>
<del>\$40,000.00 or greater</del>	<del>\$100.00</del>	<del>\$101.00</del>	<del>\$102.00</del>

	<u>LESS THAN</u>	<u>25 YEARS BUT</u>	<u>GREATER</u>
	<u>LESS THAN</u>	<u>GREATER THAN</u>	<u>THAN 24.99</u>
<u>AVERAGE SALARY</u>	<u>15 YEARS OF</u>	<u>14.99 YEARS OF</u>	<u>YEARS OF</u>
<u>USED FOR DETERMINING</u>	<u>CREDITABLE</u>	<u>CREDITABLE</u>	<u>CREDITABLE</u>
<u>RETIREMENT ALLOWANCE</u>	<u>SERVICE</u>	<u>SERVICE</u>	<u>SERVICE</u>
<u>Less than \$20,000.00</u>	<u>\$206.00</u>	<u>\$208.00</u>	<u>\$210.00</u>
<u>Less than \$30,000.00 but</u>			
<u>greater than \$19,999.99</u>	<u>\$204.00</u>	<u>\$206.00</u>	<u>\$208.00</u>
<u>Less than \$40,000.00 but</u>			
<u>greater than \$29,999.99</u>	<u>\$202.00</u>	<u>\$204.00</u>	<u>\$206.00</u>
<u>\$40,000.00 or greater</u>	<u>\$200.00</u>	<u>\$202.00</u>	<u>\$204.00</u>

For plans offered by the Office, the amount paid pursuant to this subsection shall first be applied to the prescription drug coverage premium, if any. Any remaining amounts shall be applied towards the medical coverage premium.

F. If a person retires and begins to receive benefits from the Teachers' Retirement System of Oklahoma or terminates service and has a vested benefit with the Teachers' Retirement System of Oklahoma, the person may elect, in the manner provided in subsection A of this section, to participate in the dental insurance plan offered through the Oklahoma Employees Insurance and Benefits Act. The person shall pay the full cost of the dental insurance.

1 G. Those persons who are receiving benefits from the Teachers'  
2 Retirement System of Oklahoma and have health insurance coverage  
3 which on the operative date of this section is being paid by the  
4 education entity from which the person retired shall make the  
5 election required in subsection A of this section within thirty (30)  
6 days of the termination of said health insurance coverage. The  
7 person making the election shall give the Office certified  
8 documentation satisfactory to the Office of the termination date of  
9 the other health insurance coverage.

10 H. Dependents of a deceased education employee who was on  
11 active work status or on a disability leave at the time of death or  
12 of a participating retirant or of any person who has elected to  
13 receive a vested benefit under the Teachers' Retirement System of  
14 Oklahoma may continue the health and dental insurance benefits in  
15 force provided said dependents pay the full cost of such insurance  
16 and they were covered as eligible dependents at the time of such  
17 death and such election is made within thirty (30) days of date of  
18 death. The eligibility for said benefits shall terminate for the  
19 surviving children when said children cease to qualify as  
20 dependents.

21 I. The amounts required to be paid by the Teachers' Retirement  
22 System of Oklahoma pursuant to this section shall be forwarded no  
23 later than the tenth day of each month following the month for which  
24 payment is due by the Board of Trustees of the Teachers' Retirement



1 System of Oklahoma to the Office for deposit in the Education  
2 Employees Group Insurance Reserve Fund.

3 J. The Teachers' Retirement System of Oklahoma shall provide  
4 the Office information concerning the employers of retired and  
5 vested members necessary to allow the Office to track eligibility  
6 for continued coverage.

7 K. Upon retirement from employment with the Board of Regents of  
8 the University of Oklahoma, any person who is or was employed at the  
9 George Nigh Rehabilitation Institute and who transferred employment  
10 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any  
11 person who was employed at the Medical Technology and Research  
12 Authority and who transferred employment pursuant to Section 7068 of  
13 this title, and any person who is a member of the Oklahoma Law  
14 Enforcement Retirement System pursuant to the authority of Section  
15 2-314 of Title 47 of the Oklahoma Statutes may participate in the  
16 benefits authorized by the provisions of the Oklahoma Employees  
17 Insurance and Benefits Act for retired participants, including  
18 health, dental and life insurance benefits, if such election to  
19 participate is made within thirty (30) days from the date of  
20 termination of employment. Life insurance benefits for any such  
21 person who transferred employment shall not exceed the coverage the  
22 person had at the time of such transfer. Retirees who are persons  
23 transferred employment and who participate pursuant to this

24

1 paragraph shall pay the premium for elected benefits less any  
2 amounts paid by the retirement system pursuant to this section.

3 SECTION 3. This act shall become effective November 1, 2025.

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5 60-1-10048 CMA 01/02/25

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**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

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January 13, 2025

Representative Humphrey  
Room 301S

Re: RBH No. 10048

RBH No. 10048 doubles the medical supplement benefit for all the State's retirement systems retired participants. Currently the benefit is \$105. 00 per month for most participants. Teachers have a schedule of payment based on service and benefit.

RBH No. 10048 is a fiscal bill as defined by OPLAAA.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

*Thomas E. Cummins*

Thomas E. Cummins, MAAA